History of Economic Development in Belize

Chapter 10 (concise history)
Mandatory reading

Name some of Belize’s major produce.
The effect of exporting

- More revenue & foreign exchange
- Raise the standard of living for all employers/ees
- Develop the economy (more construction/expansion/diversification) (More business ventures)
Timber Industry

- Belize was settled by movements related to Logging of logwood.
- In the late 1700 and early 1800 Mahogany replaced Logwood. (WHY?)
- Mahogany boomed between 1835 and 1850:
  1. Railway carriages
  2. Shipbuilding
Belize’s produce rise & fall

Reason why Mahogany subsided in the 1850’s

• Wood began to give way to iron and steel in shipbuilding.
• Cost of extraction was rising.
With the boom subsiding, private land holdings gave way to logging companies. (they had the capital to invest: Joint stock companies)

- Young Toledo

- British Honduras Company: incorporated 1859: James Hyde and John Hodge: Belize Estate and Produce company (1875)

- Companies bought out most of the land and did not invest in agricultural production or export
Timber

• Timber is still an important export of Belize.
• The Belize Hard wood company treats and store the wood to customer specifications for locals.
• Requirements from treaties/ wood trading organization and authorization from the chief forest officer in Belize needs to be met before exportation takes place.
• Exportation takes place world wide.
Timber workers

• Mostly includes the Creoles and Garinagu people.
• Areas where Timber is harvested are mainly in the Belize river Valley and in the deep south near the traditional Maya villages.
Sugar
Brief History of Sugar in Belize

• First cultivators arrived 1840 - 1850 from Yucatan. Why?
• Population grew rapidly
  1. Could buy or lease land
  2. Were available and willing to work
  3. Almost all had agricultural background (1852: reports of cultivation of sugar, corn, tobacco and other products)
• 1857: First initial sugar export
• 1868: 10 small estates with steam milling machinery
• 1869: confederate migration from the US to Toledo
Serpon Sugar Mill

- Serpon Sugar Mill is an historical site in Belize, consisting of the remnants of a steam-powered sugar mill whose construction in 1865 marked the beginning of the country's industrial era.
1870: Depression in the Economy

- Diversification to remove dependence from timber did not succeed
- Sugar did not flourish
  1. Not enough investment ($5 an acre of land: too high)
  2. Shortage of Labor (indenture Chinese and Indians)
  3. Confederate migrants returned to the US

To come out of the Depression the following were done
- Crown land reduced to $1 per acre
- Excise tax was abolished for sugar
Colonial Agricultural Development Company

- The colonial authorities developed the industry through creating a factory in 1937.
- Factory operations began in 1937 in formerly known Pembroke Hall, now Libertad; the goal of 2,500 tons was not reached until 1953, export levels remained extremely low.
Growth and development

- In 1944 the sugar industry grew from 4 small farmers delivering 712 tons to 122 farmers delivering 12,875 tons.

- Due to the growth of the industry in 1959 the sugar control ordinance was passed in which they controlled delivery licenses and quotas.

- The farmers joined and formed the Cane Farmers association which was responsible to negotiate on behalf of the farmers, organize cane delivery and make loans to members.
Tate and Lyle

• In 1967, British corporation Tate & Lyle purchased the factory, expanded it, and opened a second factory in Tower Hill near Orange Walk. With these investments, sugarcane became a booming industry for Belize and the standard of living in the Corozal and Orange Walk region improved.
Banana Industry

- 1870: Ships carrying mail rerouted to New Orleans: Kick start the banana industry
- Sale of land at $1 had increased local production
- First regular shipment made 1882
- By 1886: 6300 acres in Punta Gorda and Stann Creek
  * This industry caused the price of labor to increase in the South
- 1891: ½ million stems being exported
  * Several companies formed (British Honduras Syndicate)
- 1898-1899: Slump in banana industry saw much of the growers leave the industry.
Banana Industry

- 1909: United fruit Company
- 1910: 10,000 acres under cultivation (Floods, storms, Panama disease)
- 1980: Banana attracted much central American workers
- Banana cultivation is mainly concentrated in the southern part of Belize namely Stann Creek and Toledo.
- Banana workers included the Garinagu, Creole and modern day workers are mostly the Central American immigrants.
1894: First exports of Chicle

Labourers of this trade stationed in the north and west of Belize.

Men that cut the stem of the sapodilla tree were called.

The contractors of this trade in the north were the mestizos and in the west were primarily the Lebanese.

However this trade was being exported to the U.S and U.K on a small scale production.

Transportation was a major problem to get goods across from one location to another because Belize had little roads/navigation.
Rice produce

- In Belize rice produced by the Mayas and now Mennonites are mainly used for local consumption as opposed to export.
- The Big falls rice mills near Toledo is semi-governmental that buys all rice from local farmers and resells it to the Belizean as polished rice.
- Mennonites in the Orange Walk area (Blue Creek) produced “Circle R”.

![Circle R Logo]
Alternative produce for sugar

• Belize began to introduced _______ and _______ but that never generated a reasonable return and later collapsed.
Introduction of the Citrus Industry (20th century)

• Most successful
Citrus Industry

- First started in the Stann Creek Valley.
- Grapefruits were the first citrus fruit grown in Belize and exported to England.
- Citrus industry workers include locals in the area (Garinagu, Creole, mostly Central American Immigrants now.)
- Citrus products are now being harvested in Cayo, Toledo and O.Walk.
- Citrus products are now being exported mainly to the U.S.
Seafood

- Belize’s marine exports are fishes, lobster, shrimp and conch.
Habanero pepper sauce exported

- The famous Marie Sharp’s pepper sauce is being exported globally.
- Some places include the U.S (Florida, California) Japan, Europe, Russia etc.
- Marie Sharp’s factory is located in the Hope Creek Village, Stann Creek District.
Oil Exploration

• In 2005 Belize began looking for oil and was successful in attaining oil in the Spanish look out area.

• In southern Belize, (Sarstoon Temash National Park) is where the drilling of oil has also begun.

• Oil revenues estimated at $120 Million are being absorbed by the government for its day to day operations.

• Belize National Energy (BNE) remains the only company producing and exporting oil from Belize since it was found.